



It's All in the Details:

Reviewing payroll reports

**Virginia Department of Housing and Community Development (DHCD)
Program Administration and Assistance Office
Richmond, Virginia**

**February 12, 2013
12 Noon – 1 PM**

Speakers

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Webinar Format

- The presentation will last approximately 40 minutes with periodic pauses for Q & A.
- In order to hear the webinar, you *must* call in for audio at the following number **1-866-842-5779**.
- The conference code number is **475 623 3278**.
- Audience members are asked to press *6 to mute their volume due to the high number of participants.

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 - Logging off, then logging in again; or
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How to Submit Questions

- Address your questions to the host through the chat box that will appear on your screen during the presentation. Technical questions will be addressed right away.
- We'll pause and take content questions at designated points during and after the presentation.

Brief Survey

- Using the survey feature on your Webex webinar screen, please answer the simple survey:

What is your level of experience with reviewing payrolls?

- a) I have never reviewed payrolls
- b) I have reviewed them for a few projects
- c) I have reviewed them on many projects

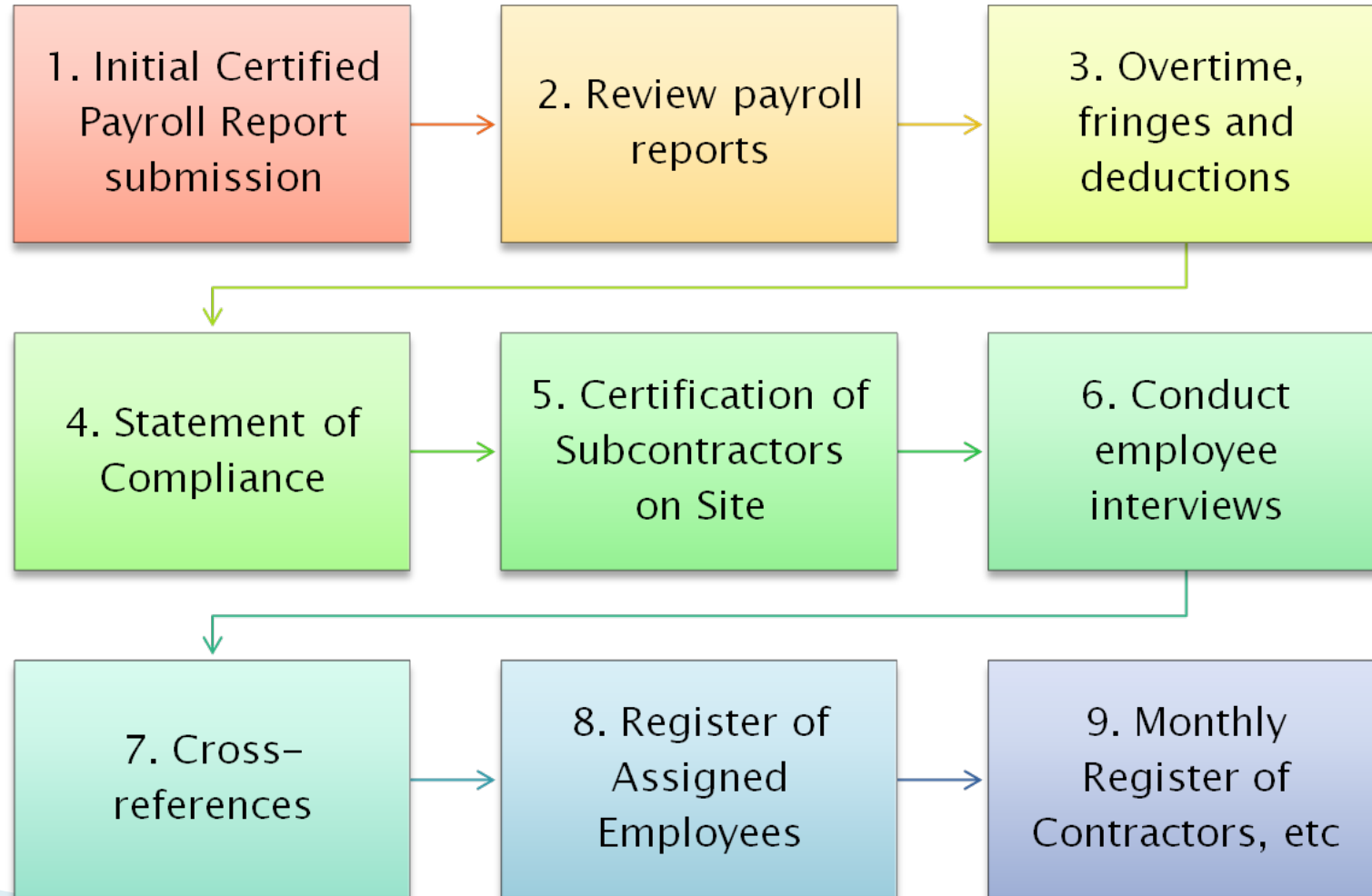
Agenda

- Review payroll reports
- Conduct employee interviews
- Compare interview forms with payroll reports
- Common challenges and troubleshooting tips

Recap

- ❖ Contract has been awarded to the lowest responsive, responsible, non-debarred bidder and Notice of Award issued, copying DHCD,
- ❖ The pre-construction conference has been held,
- ❖ The Notice to Proceed with Construction has been issued to the contractor, copying DHCD, and
- ❖ Construction has started.

9 Key Steps



Step 1 Initial paperwork submitted

- ❖ Certified Payroll Report,
- ❖ Certification of Subcontractors on Site,
- ❖ Register of Assigned Employees (RAE),
- ❖ Apprenticeship Program Documents,
- ❖ Monthly Register of Contractors, Subcontractors and Suppliers,
- ❖ Authorizations of Payroll Deductions, and
- ❖ Requests for additional job classifications

Step 1

Responsibility of general contractor

- ❖ Responsible for the full compliance of all employers, including subcontractors and any lower-tier subcontractors, with observing all federal labor standards provisions
- ❖ Because of the contractual relationship between the general and any subcontractors, the subcontractors should generally communicate through the general, including submitting payroll paperwork or requests for additional wage classifications through the general contractor

Step 2

Review Payroll Reports

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/esa/whd/forms/wh347instr.htm)

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.



Rev. Dec. 2008

NAME OF CONTRACTOR <input checked="" type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>		ADDRESS		OMB No.: 1215-0149 Expires: 12/31/2011														
S. Spielberg Construction		259420a Three Chopt Road, Henrico, VA 23255																
PAYROLL NO. 2		FOR WEEK ENDING 01/26/2013		PROJECT OR CONTRACT NO. 12-99														
(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK
			CT. OR ST.	Su	M	T	W	T	F				Sa	FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS	
Tommy Lee Jones #0555	2	Pipelayer	0									\$202.50	\$25.19	\$30.38		\$50.00	\$105.57	\$96.93
Tommy Lee Jones #0555	2	Backhoe Operator	0									\$468.26	\$58.25	\$70.24		\$0.00	\$128.49	\$339.77
Hal Holbrook #5505	2	Pipelayer	0									\$620.92	\$74.70	\$93.14		\$10.00	\$177.84	\$443.08
Sally Fields #0220	2	Backhoe Operator	0									\$141.36	\$71.08	\$84.82		\$0.00	\$155.90	\$550.90
Daniel Day-Lewis #0022	1	Foreman (Concrete Finisher)	0									\$200.00	\$96.00	\$120.00		\$0.00	\$216.00	\$584.00
S. Epatha Merkerson #3333	1	Electrician (SEM Electricians)	0									\$973.20	\$116.78	\$145.98		\$0.00	\$262.76	\$710.44

Step 2

Split classifications

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/esa/whd/forms/wh347instr.htm)

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NAME OF CONTRACTOR <input checked="" type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>				ADDRESS				OMB No.: 1215-0149 Expires: 12/31/2011												
S. Spielberg Construction				259420a Three Chopt Road, Henrico, VA 23255																
PAYROLL NO. 2		FOR WEEK ENDING 01/26/2013		PROJECT AND LOCATION Lincoln Street Water Project				PROJECT OR CONTRACT NO. 12-99												
(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	OT: OR ST:	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS						(9) NET WAGES PAID FOR WEEK
				Su	M	T	W	T	F	Sa				FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS			
				HOURS WORKED EACH DAY																
Tommy Lee Jones #0555	3	Pipelayer	0										\$202.50	\$25.19	\$30.38			\$50.00	\$105.57	\$96.93
			S	4.00	3.00	4.50		2.00		13.50	\$15.00									
Tommy Lee Jones #0555	2	Backhoe Operator	0										\$468.26	\$58.25	\$70.24			\$0.00	\$128.49	\$339.77
			S	4.00	5.00	3.50	8.00	6.00		26.50	\$17.66									
Hal Holbrook		Discipline	0							1.00	\$21.66		\$620.92							

Step 2

Split classifications

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/esa/whd/forms/wh347instr.htm)

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U.S. Wage and Hour Division

Rev. Dec. 2008

NAME OF CONTRACTOR <input checked="" type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>		ADDRESS		OMB No.: 1215-0149 Expires: 12/31/2011	
S. Spielberg Construction		25942a Three Chopt Road, Henrico, VA 23225			
PAYROLL NO. 2	FOR WEEK ENDING 01/26/2013	PROJECT AND LOCATION Lincoln Street Water Project, Caroline County, VA		PROJECT OR CONTRACT NO. 12-99	

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (#g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK	
			Su	M	T	W	T	F	Sa				FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS			
																	20		21
Daniel Day-Lewis #0022	1	Foreman (Concrete Finisher)	O									\$200.00							
			\$	2.00	2.00	2.00	2.00	2.00		10.00	\$20.00	\$800.00	\$96.00	\$120.00			\$0.00	\$216.00	\$584.00
S. Epatha Merkerson #3333	1	Electrician (SEM Electricians)	O									\$973.20							
			\$	8.00	8.00	8.00	8.00	8.00		40.00	\$24.33	\$973.20	\$116.78	\$145.98			\$0.00	\$262.76	\$710.44

Step 2

Apprentices and trainees

- ❖ Registered in an apprenticeship program recognized by the Virginia Department of Labor and Industry
- ❖ Copy of program's wage schedule must be submitted to CCO
- ❖ Need to verify apprentices and trainees are being paid according to the wage schedule
- ❖ Need to verify that the ratio of apprentices and trainees to journeymen is according to the approved program

Step 2

Helpers

- ❖ The wage classification “helper” must be listed on wage decision; otherwise:
 - If helper is being used to mean a trainee in an informal training program, he or she must be classified as a laborer
 - If work is not manual in nature and the worker uses tools or equipment normally associated with a journeyman, he or she must be paid the journeyman’s wage rate

Step 2

Piece-work workers

- ❖ Paid by work completed, not by hours worked
 - Piece-work earnings divided by the total number of hours worked equals the effective hourly rate
 - Do weekly earnings sufficiently satisfy the wage rate requirement based on actual hours worked, including any overtime?
 - If not, the employer must make up the difference

Step 2

1099 workers

- ❖ 1099 workers are considered independent contractors so FICA, federal taxes and state taxes are not deducted from their wages
- ❖ Every person who performs the work of a laborer or mechanic is “employed” regardless of any contractual relationship and must be paid as much as the wage rate on the wage decision for trade performed
- ❖ Form 1099 can be submitted in lieu of payroll report; if not, a fully completed payroll report must be submitted, showing workers are receiving the *effective hourly wage rate* of trade performed

Step 3 Overtime

- ❖ Overtime hours are all hours worked on the project in excess of 40 hours in any work week
- ❖ Overtime must be paid at no less than 1½ times the regular rate of basic pay as stated on the wage decision *plus* the straight-time rate of any required fringe benefits

Step 3 Calculating overtime

Wage decision:

\$10 basic wage + \$6 fringe benefits =
\$16 total wage obligation

Overtime rate:

1½ times the wage decision's basic
hourly wage rate ($\$10 * 1.5 = \15) plus
straight-time rate of required fringes
(\$6) = \$21 per hour

Pop Quiz

Wage decision:

\$20 basic hourly wage rate + \$5 fringe
benefits = \$25/hr

Overtime equals:

A. \$35.00 ($\$20 * 1.5 = \30) + \$5

B. \$37.50 ($\$25 * 1.5$)

Step 3

Types of required fringes

- ❖ Wage Decision may require:
 - No fringes (\$20 wage rate)
 - Set fringe as a percentage of base pay
($\$20 + 5\% = \21)
 - Set fringe as a flat amount
($\$20 + \$5 = \$25$)

Step 3

Fringes – Easy Variation

Page 2 of 7

Hanging & Form Work).....\$ 21.51 7.27+2%

ELEC1340-010 12/01/2010

Rates

Fringes

ELECTRICIAN.....\$ 24.58 12.50%+5.30

ENGI0147-024 05/01/2012

- $$\$21.51 + 7.27 + 2\% (43¢) = \$29.21$$

- $$\$24.58 + 12.5\% (\$3.07) + \$5.30 = \$32.95$$

Step 3

Fringes – Electricians

WARREN COUNTY

	Rates	Fringes
ELECTRICIAN.....	\$ 26.87	3%+13.10+a

a. PAID HOLIDAYS: New Year's Day, Inauguration Day, Martin Luther King Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day.

$$\$26.87 + 3\% (81¢) + 13.10 = \$40.78$$

Plus paid holidays at \$40.78

Step 3

Deductions

1

- Contractor must show all deductions taken from *gross* pay

2

- Do not need employee authorization for FICA, income taxes, or court-ordered garnishments

3

- Do need written itemized authorization for voluntary non-standard deductions

Step 3

Deductions

- ❖ Resubmitted **only** if type of deductions changes or the amount increases

Appendix

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AUTHORIZATION OF PAYROLL DEDUCTIONS

I, Tommy Lee Jones (Employee's Name), hereby authorize S. Spielberg Construction (Company's Name) to deduct the following amount(s) from my weekly earnings in the following categories:

Purpose	Amount	Authorization Expires
1. Health Insurance	<u>\$35.00</u>	<u>January 20, 2014</u>
2. Intensive Care Insurance	<u> </u>	<u> </u>
3. Cancer Insurance	<u> </u>	<u> </u>
4. Uniforms	<u> </u>	<u> </u>
5. Christmas Fund	<u>\$15.00</u>	<u>January 20, 2014</u>
6. Savings Account	<u> </u>	<u> </u>
7. Other (Specify) <u> </u>	<u> </u>	<u> </u>
TOTAL	<u>\$50.00</u>	

Tommy Lee Jones

Signature

Tommy Lee Jones

Type or Write Name

December 15, 2012

Date

Step 4

Statement of Compliance

- ❖ Must be attached to every payroll report
- ❖ Signed by owner, officer or authorized individual with an **original** signature in ink
- ❖ Shows how fringes will be paid

Date 01/31/2013

I, Steve Spielberg President
(Name of Signatory Party) (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by S. Spielberg Construction on the Lincoln Street Water Project; that during the payroll period commencing on the 20 day of 1, 2013, and ending the 26 day of 1, 2013, all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said S. Spielberg Construction from the full weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967; 75 Stat. 357; 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

☐ — in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

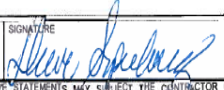
☒ — Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION
Electricians	10 Paid Holidays

REMARKS:

NAME AND TITLE
Steve Spielberg, President

SIGNATURE


THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1007 OF TITLE 18 AND SECTION 221 OF TITLE 31 OF THE UNITED STATES CODE.

Step 4

What are allowable fringes?

- ❖ If Box A is checked, contractor must submit a list of the fringes and their value:
 - Sick, vacation and holiday leave
 - Health, dental, disability or life insurance
 - Retirement plans
 - Does not include unemployment and worker's compensation costs
 - Does not include ***employee*** contributions to insurance or retirement plans

Step 4

Calculating fringes

Wage decision:

\$12 basic wage + \$2.50 fringe benefits =
\$14.50 total wage obligation

Employer provides medical insurance:

\$200/month or \$2,400/yr (\$200 x 12)

Fringe value:

\$2,400/yr ÷ 2,080 (40/hrs x 52/wks) =
\$1.15/hr so the contractor still owes
the worker \$1.35 in fringes

Questions and Comments?

Use the chat feature to ask questions and communicate with everyone!



Step 5

Certification of Subcontractors on Site

Appendix **47.B Certification of Subcontractors on Site**

(To be Submitted as Part of Weekly Payroll Report)

I, Stephen Spielberg, the general contractor, hereby certify that all employees denoted on attached payroll reports for the week ending 1/26/2012 represent all employees that worked on CIG# 12-99 project for Caroline County (insert Grantee's Name), including employees of all subcontractors.

Stephen Spielberg, President

Name and Title

2/1/2013
Date

Names of Subcontractors That Worked on Project for This Pay Period.

1. Dreamworks Contracting
2. Caroline Excavation Company
3. _____
4. _____

Step 6

Conduct Employee Interviews

Once a month

Each trade at least once

25% of total workers

Step 6

First visit to site

- Is the DHCD Project Sign up?
- Is it visible from the roadway?



Step 6

Posting of Wage Decision



- Is the Wage Decision posted along with DOL and OSHA posters?
- Accessible to workers?
- Protected from elements?

Step 6

Site observations

- Observe worker
- Note what the worker is doing and what tools and equipment are being used
- Take photos
(Optional)
- Do the types and numbers of workers generally coincide with type of projects and payroll reports?



Step 6

Conducting the Interview

Record of Employee Interview

U.S. Department of Housing
and Urban Development
Office of Labor Relations

OMB Approval No. 2501-0009
(exp. 10/31/2010)

Sensitive Information. The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained.

1a. Project Name Lincoln Street Water Project			2a. Employee Name Tommy Lee Jones		
1b. Project Number CIG #12-99			2b. Employee Phone Number (including area code) 804-555-1800		
1c. Contractor or Subcontractor (Employer) S. Spielberg Construction			2c. Employee Home Address & Zip Code 1200 Courthouse Road, Hanover, VA 23069		
			2d. Verification of identification? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
3a. How long on this job? 1 month	3b. Last date on this job before today? Yesterday	3c. No. of hours last day on this job? 8 hours	4a. Hourly rate of pay? \$15.00	4b. Fringe Benefits?	
			Vacation Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		4c. Pay stub? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
			Medical Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
			Pension Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
5. Your job classification(s) (list all) --- continue on a separate sheet if necessary Pipelayer					
6. Your duties Digging trenches; laying and connecting pipeline					
7. Tools or equipment used Shovels, grinders, jacks and tappers					
8. Are you an apprentice or trainee?		Y <input type="checkbox"/> N <input checked="" type="checkbox"/>	10. Are you paid at least time and ½ for all hours worked in excess of 40 in a week?		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
9. Are you paid for all hours worked?		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	11. Have you ever been threatened or coerced into giving up any part of your pay?		Y <input type="checkbox"/> N <input checked="" type="checkbox"/>
12a. Employee Signature Tommy Lee Jones			12b. Date 1/23/2013		

Step 6

Recording observations

13. Duties observed by the Interviewer (Please be specific.)

Operating bulldozer

14. Remarks

Asked why he was operating bulldozer. Just moving it. Doesn't use it in day-to-day activities.

15a. Interviewer name (please print)

James Spader

15b. Signature of Interviewer

James Spader

15c. Date of interview

1/23/2013

Step 7

Back in the office

Payroll Examination

16. Remarks

Payroll okay.

17a. Signature of Payroll Examiner

Gloria Reuben

17b. Date

2/8/2013

Previous editions are obsolete

Form HUD-11 (08/2004)

Step 8

Register of Assigned Employees

Register of Assigned Employees

Month Covered: January, 2013

Date Completed: February 1, 2013

Submit initial list of workforce prior to start of construction; update throughout construction to show changes.

SECTION I: Identification of Level of Submittal, see instructions on back of form

(1) Grantee: Caroline County Grant #: 12-99 Project Name: Lincoln Street Water Project
 HIRING GOALS: 30% LOCAL LMI (Section 3) 27.0% MINORITY 6.9 % FEMALE
 Prime Contractor S. Spielberg Construction Contracted Amount \$736,000
 (2) Subcontractor _____ Contracted Amount \$ _____

a. NAME OF EMPLOYEE b. COUNTY OF RESIDENCE	c. TRADE & JOB CLASSIFICATION d. RATE OF PAY & BENEFITS	e. (1). DATE HIRED or e (2). DATE RECALLED f. AUTHORIZED PAYROLL DEDUCTIONS	g. MINORITY	h. GENDER
a Daniel Day-Lewis b. Henrico	c. Foreman (Concrete Finisher) d. \$20.00	e (1) 12/5/2009 or e(2) f. None	____yes XXX no	____female XXX male
a. Hal Holbrook b. Caroline	c. Pipelayer d. \$14.44	e (1) 1/2/2010 or e(2) f. \$10.00	____yes XXX no	____female XXX male
a. Tommy Lee Jones b. Hanover	c. Pipelayer d. \$15.00	e (1) 2/1/2010 or e(2) f. \$50.00	____yes XXX no	____female XXX male
a. Tommy Lee Jones b. Hanover	c. Backhoe Operator d. \$17.67	e (1) 2/1/2010 or e(2) f. \$50.00	____yes XXX no	____female XXX male
a. Sally Fields b. Henrico	c. Backhoe Operator d. \$17.67	e (1) 2/1/2010 or e(2) f. None	____yes XXX no	XXX female ____male

Step 9

Monthly Register of Contractors, Subcontractors and Suppliers

Monthly CDBG Register of Contractors, Subcontractors and Suppliers				Month Covered: <u>January, 2013</u>
Register all procurements of more than \$10,000 one time only, in month of occurrence				
SECTION I: Identification of Level of Submittal, see instructions on back of form				
(1)	Grantee: <u>Caroline County</u>	Grant #: <u>12 - 99</u>	Project Name: <u>Lincoln Street Water Project</u> "Local Business" County*: <u>Caroline</u>	
(2)	General Contractor <u>S. Spielberg Construction</u>		IRS# (or owner's SSN) <u>991234566</u>	
(3)	Subcontractor _____		IRS# (or owner's SSN) _____	
SECTION II: Details of Procurements				
Choose one:	Name and Physical Address of Business, and IRS# (or owners' SSN)	Contract Description or Items Supplied	Amount of Contract or Purchase	Ownership of Business (check All that apply)
<input checked="" type="checkbox"/> General Contractor <input type="checkbox"/> Subcontractor <input type="checkbox"/> Supplier	<u>S. Spielberg Construction</u> <u>18900 Three Chopt Road</u> <u>Henrico, VA 23229</u> IRS# (or SSN): <u>991234566</u>	<u>Water line</u>	<u>\$736,000</u>	<input type="checkbox"/> Minority Business <input type="checkbox"/> Local (Section 3) Business <input type="checkbox"/> Female-Owned Business <input type="checkbox"/> White American <input type="checkbox"/> Black American <input type="checkbox"/> Native* American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian American <input type="checkbox"/> Not American Owned CORPORATION
<input type="checkbox"/> General Contractor <input checked="" type="checkbox"/> Subcontractor <input type="checkbox"/> Supplier	<u>Dreamworks Contracting</u> <u>234 Shannon Hill Road</u> <u>Louisa, VA 23093</u> IRS# (or SSN): <u>122334457</u>	<u>Excavation</u>	<u>\$100,000</u>	<input type="checkbox"/> Minority Business <input type="checkbox"/> Local (Section 3) Business <input type="checkbox"/> Female-Owned Business <input checked="" type="checkbox"/> White American <input type="checkbox"/> Black American <input type="checkbox"/> Native* American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian American <input type="checkbox"/> Not American Owned
<input type="checkbox"/> General Contractor <input checked="" type="checkbox"/> Subcontractor <input type="checkbox"/> Supplier	<u>Caroline Excavation Company</u> <u>1200 Cross County Road</u> <u>Caroline, VA 22546</u> IRS# (or SSN): <u>333-22-5555</u>	<u>Site Clearance</u>	<u>\$25,140</u>	<input type="checkbox"/> Minority Business <input checked="" type="checkbox"/> Local (Section 3) Business <input type="checkbox"/> Female-Owned Business <input type="checkbox"/> White American <input checked="" type="checkbox"/> Black American <input type="checkbox"/> Native* American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Asian American <input type="checkbox"/> Not American Owned

*SECTION 3 RESIDENT: - A resident of the area in which Section 3 covered assistance is expended, and who qualifies as a low- or very-low-income person.

SECTION 3 BUSINESS: - A business of the area in which 51% or more is owned by Section 3 residents or 30% of employed staff are Section 3 residents or 25% of subcontracts are committed to Section 3 businesses.

**NATIVE AMERICAN: - American Indian/Alaskan Natives

Pop Quiz

Do you tell the contractor in advance when you will be on site to conduct employee interviews?

TRUE OR FALSE?

Common payroll challenges

- Certified payroll reports not submitted weekly
- Statement of Compliance and/or Certification of Subcontractors on Site are not submitted or not filled out completely
- Box A on the Statement of Compliance is checked but itemized list of fringes and associated values are not submitted

Additional payroll challenges

- Not receiving original certified payroll reports (payrolls can only be scanned or faxed to meet weekly deadline; must be followed up with originals in the mail)
- General contractor does not forward copies of the WD to subcontractors or forwards the wrong one in a dual wage situation

Additional payroll challenges

- Wage classification listed on payroll report is not listed on wage decision
- More than one wage classification is listed for worker
- Underpayment of worker
- Overtime and/or fringe benefits are not paid

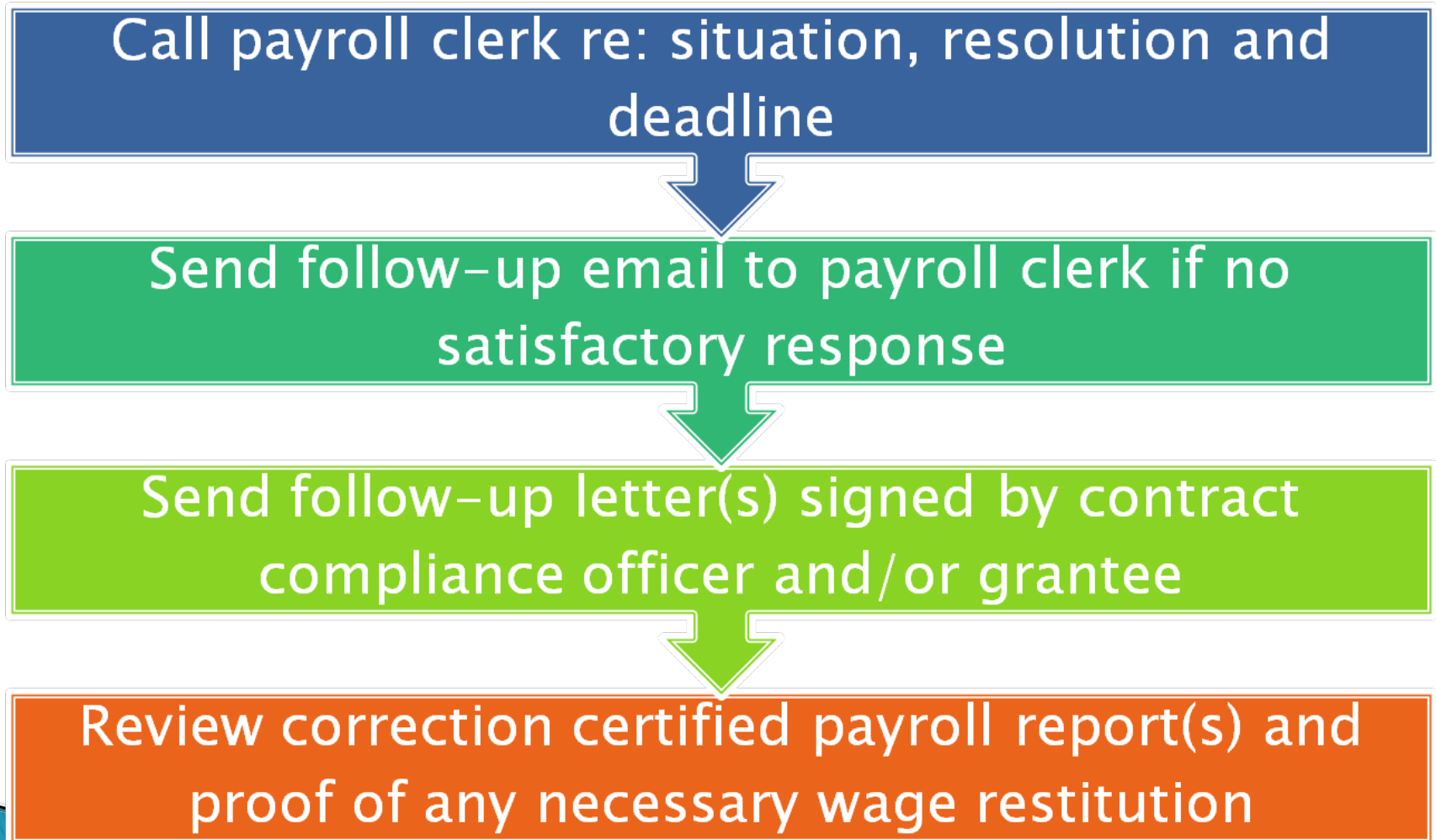
Additional payroll challenges

- Non-standard deductions are not listed and/or not authorized
- Errors in math
- Register of Assigned Employees not submitted or not updated as needed
- Monthly Register of Contractors, Subcontractors and Suppliers not submitted monthly

Challenges for the Grantee


- Employee interview forms are not compared to the appropriate payroll report and/or comparison is not noted on interview form
- Discrepancies between payroll and employee interview are not followed up on by CCO
- Insufficient number of interviews done

Enforcing FLS



Withholding pay

Withhold payment, especially if wage restitution is not made within 30 days



General contractors are always responsible for their subcontractors' compliance



If violations are not resolved by contract closeout, report to DHCD

Keys to Success

- Give the general contractor all the facts needed for a successful project at the pre-construction conference
- Set the tone with the first payroll
- Keep on top of the paperwork
- Attend the weekly construction conferences
- Do not be afraid to ask questions

Questions and Comments?

Use the chat feature to ask questions and communicate with everyone!



Thank You for Participating

- Recording of the webinar will be posted on DHCD's website on the CDBG Training Archive page:
<http://www.dhcd.virginia.gov/index.php/cdbg-training-archive.html>
- You will shortly be receiving an e-mail with the hyperlink to the webinar evaluation form. ***Thank you in advance for taking the time to give us your valuable feedback.***